

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Bond No. \_\_\_\_\_

SURETY BOND
EXPLORATION AND PRODUCTION WASTE DISPOSAL FACILITY

KNOW ALL MEN BY THESE PRESENTS:

That we (operator name) \_\_\_\_\_ as Principal,
and

(surety name) \_\_\_\_\_ as Surety, duly authorized
and qualified to do business in the State of Utah, are held and firmly bound unto the State of Utah in the sum of:

\_\_\_\_\_ dollars (\$ \_\_\_\_\_ )
lawful money of the United States, payable to the Director of the Division of Oil, Gas and Mining, as agent of the State of Utah, for the use and
benefit of the State of Utah for the faithful payment of which we bind ourselves, our heirs, executors, administrators and successors, jointly and
severally by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, WHEREAS the Principal is or will be engaged in the construction and/or operation
of a waste disposal facility in the State of Utah, for the purpose of disposal of exploration and production wastes for the following described facility
and land:

Facility: \_\_\_\_\_
Section: \_\_\_\_\_ Township: \_\_\_\_\_ Range: \_\_\_\_\_
County: \_\_\_\_\_, Utah

NOW, THEREFORE, if the Principal shall comply with all the provisions of the laws of the State of Utah and the rules, orders and requirements
of the Board of Oil, Gas and Mining of the State of Utah, including, but not limited to the proper maintenance and operation of the above listed
facility in such a manner as not to cause pollution of the waters of the state or other adverse environmental impacts, and upon abandonment of
the facility and the proper closure of the facility site, then this obligation is void; otherwise, the same shall be and remain in full force and effect.

IN TESTIMONY WHEREOF, said Principal has hereunto subscribed its name and has caused this instrument to be signed by its duly authorized
officers and its corporate or notary seal to be affixed this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

(Corporate or Notary Seal here)
Attestee: \_\_\_\_\_ Date: \_\_\_\_\_

Principal (company name)
By Name (print) Title
Signature

IN TESTIMONY WHEREOF, said Surety has caused this instrument to be signed by its duly authorized officers and its corporate or notary seal
to be affixed this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

(Corporate or Notary Seal here)
Attestee: \_\_\_\_\_ Date: \_\_\_\_\_

Surety Company (Attach Power of Attorney)
By Name (print) Title
Signature
Surety's Mailing Address

City State Zip

## INSTRUCTIONS

An owner or operator shall furnish a bond to the division prior to obtaining approval of a permit to drill a new well, reentering an abandoned well, or assuming responsibility as operator of existing wells. Disposal facilities, other than injection wells, shall also be bonded in accordance with the Utah Oil and Gas Conservation General Rules.

- A bond shall be furnished to the division on Form 4 for wells located on lands with fee or privately owned minerals.
- Evidence that a bond has been filed in accordance with state, federal, or Indian lease requirements and approved by the appropriate agency, shall be furnished to the division for all wells located on state, federal, or Indian leases.

A bond furnished to the division shall be made payable to the division.

Each bond is conditioned upon the faithful performance by the operator of the duty to plug each dry or abandoned well, repair each well causing waste or pollution, and maintain and restore the well site.

An owner or operator should consult the Utah Oil and Gas Conservation General Rules to determine proper bonding amounts, and to determine which of the following forms to use:

- Form 4A, Surety Bond
- Form 4B, Collateral Bond
- Form 4C, Irrevocable Documentary Letter of Credit
- Form 4D, Collateral Bond - Exploration and Production Waste Disposal Facility
- Form 4E, Surety Bond - Exploration and Production Waste Disposal Facility
- Form 4F, Irrevocable Documentary Letter of Credit - Exploration and Production Waste Disposal Facility

If an adequate bond is not in place within the allowable time periods as specified in the Utah Oil and Gas Conservation General Rules, the operator shall be required to cease operations immediately, and shall not resume operations until the division has received an acceptable bond.

Send to:

Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940